

State of Alaska FY2004 Governor's Operating Budget

Department of Community & Economic Development Alaska Energy Authority Statewide Operations and Maintenance Component Budget Summary

Component: Alaska Energy Authority Statewide Operations and Maintenance

Contact: Ronald W. Miller, Executive Director

Tel: (907) 269-3000 **Fax:** (907) 269-3044 **E-mail:** rmiller@aidea.org

Component Mission

The mission of the Alaska Energy Authority (AEA) is to tap Alaska's natural resources and new technology to achieve the lowest reasonable consumer power costs.

Component Services Provided

All staffing for AEA administrative functions is provided by AIDEA. AEA owns two hydroelectric plants and the Alaska Intertie transmission line and is responsible for the administrative oversight for these facilities.

Component Goals and Strategies

To efficiently oversee the operations and maintenance of approximately \$1 billion in electrical generation and transmission facilities in Alaska.

- To the extent feasible, contract to user utilities the direct operating, maintenance and repair responsibilities for AEA-owned facilities.

Key Component Issues for FY2003 – 2004

The Alaska Legislature appropriated \$20.3 million to AEA to extend and upgrade the Alaska Intertie to the Teeland substation. AEA hired a consultant to perform the feasibility study to analyze and recommend extension and upgrade work within budgetary constraints.

Complete and implement a business plan and restructuring of debt to help make the Larsen Bay hydroelectric project a sustainable project.

Continue to maintain the technical integrity of AEA projects by providing scheduled maintenance.

Continue to maximize local control of AEA projects, to the extent feasible, by contracting with the operating utilities to provide operating and maintenance services.

Continue to work with the operating utilities to lower operating costs and improve efficiencies at the AEA-owned hydroelectric projects.

Major Component Accomplishments in 2002

Finalized the sale and transfer of the Four Dam Pool projects to the local utilities.

Completed repairs to make the Larsen Bay hydroelectric project operational.

Statutory and Regulatory Authority

AS 44.83 Alaska Energy Authority
AS 37.07.020(e) State Facilities Operations and Maintenance
3 AAC 105 Alaska Energy Authority

Alaska Energy Authority Statewide Operations and Maintenance

Component Financial Summary

All dollars in thousands

	FY2002 Actuals	FY2003 Authorized	FY2004 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	8.8	30.0	30.0
73000 Contractual	750.9	1,024.1	1,024.1
74000 Supplies	0.0	8.0	8.0
75000 Equipment	0.3	5.0	5.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	760.0	1,067.1	1,067.1
Funding Sources:			
1107 Alaska Energy Authority Corporate Receipts	760.0	1,067.1	1,067.1
Funding Totals	760.0	1,067.1	1,067.1

Alaska Energy Authority Statewide Operations and Maintenance
Proposed Changes in Levels of Service for FY2004

No service changes.

Summary of Component Budget Changes
From FY2003 Authorized to FY2004 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2003 Authorized	0.0	0.0	1,067.1	1,067.1
FY2004 Governor	0.0	0.0	1,067.1	1,067.1